

1.941  
R4So4  
Reserve

UNITED STATES DEPARTMENT OF AGRICULTURE  
U.S. Bureau of Agricultural Economics and  
Farm Security Administration Cooperating

SOLVING PROBLEMS THROUGH COOPERATION

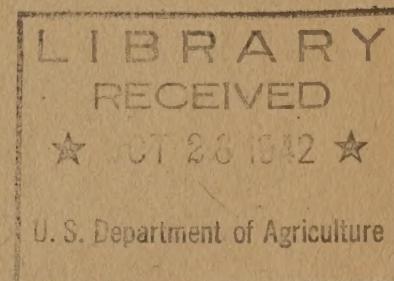
Summarized from Annual Reports of Twenty  
Farm Security Administration Farm and Home Supervisors

By

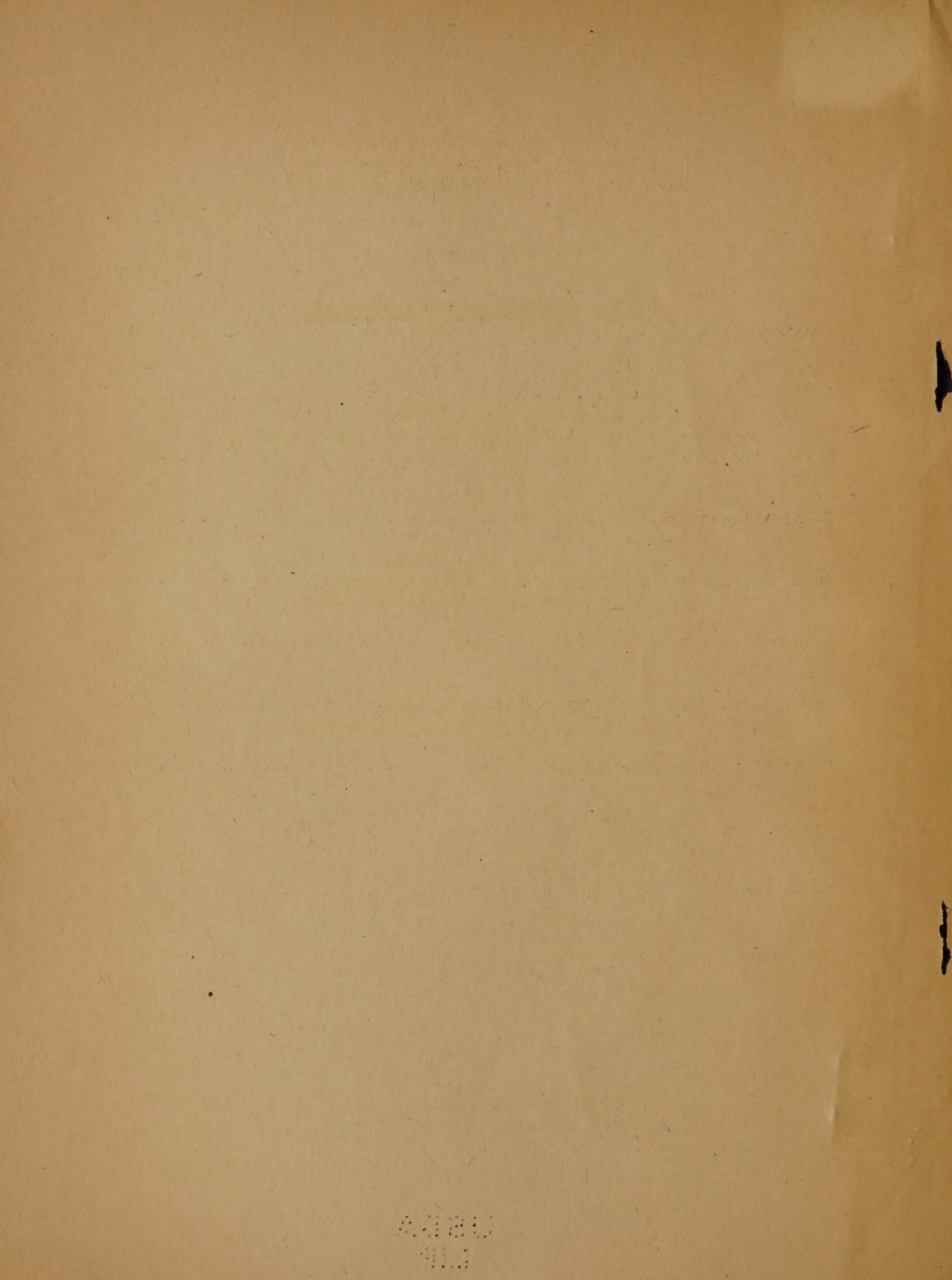
RACHEL ROWE SWIGER  
Junior Social Science Analyst  
Farm Security Administration

and

CONRAD TAEUBER  
Senior Social Scientist  
Bureau of Agricultural Economics



Washington, D. C.  
March 1942



## Contents

	Page
Preliminary . . . . .	1
What one village did . . . . .	1
What others have done . . . . .	4
Cooperative purchasing services . . . . .	4
Cooperative marketing services . . . . .	6
Cooperative livestock services . . . . .	7
Cooperative farm machinery and equipment services . . . . .	7
Cooperative household equipment services . . . . .	8
Special services . . . . .	8
Cooperation through informal activities . . . . .	9
Conclusion . . . . .	10
Appendix . . . . .	11

OCT 23 1942

B  
E  
B

### Preliminary

The Farm Security Administration is conducting an experiment in rehabilitation among disadvantaged farm families unable to qualify for the regular FSA program. More than 500 families in 10 counties representing all sections of the country, each with different conditions and problems, are participating in this experimental project. These are the same families whose experiences were reported in "Five Hundred Families Rehabilitate Themselves," published in February 1941.

Families receiving assistance through this program were faced with a combination of economic, environmental, physical, social, and emotional difficulties with which they were unable to cope without outside help. They lacked sufficient land, equipment, security of tenure, and managerial ability to carry out a farm program that would provide an adequate living; nonfarm employment which had once supplemented their meager farm income had dwindled away; many were in poor health because of malnutrition and inadequate clothing and housing facilities.

To develop ways and means of helping these families toward self-support, intensive supervision with a wide range for constructive imagination and experimentation was to be provided through the selection of well-qualified personnel and limited case loads.

Although many services have been rendered since the beginning of the program in 1938, one of the most important way of helping these families move toward rehabilitation has been through the development of mutual cooperation—one of the oldest means used by farm families for improving their own conditions.

The simple things that these families are learning to do for themselves and the way in which they are utilizing material at hand for building or rebuilding show that cooperatives need not be large to be effective. Outstanding progress has been achieved through the development of a realistic, practical, and simple program of adult education and cooperation. Activities in the counties have been organized in a variety of ways, and it is evident that they have played an important part in awakening the families to a realization of their own ability to help solve their problems and attain for themselves a more satisfactory way of living.

### What One Village Did

The most complete development of cooperative activities among project families is found in the village of El Pueblo, San Miguel County, N. Mex. After a preliminary survey of this county, supervisors designated to work with this group of Spanish-American families decided that the basic elements for successful rehabilitation of these people could be evolved only through a well-planned and efficiently

executed educational program. The reason for this plan of approach may be found in the background and attitude of the people, described by the supervisors as follows:

"They are an uneducated people, culturally, socially, and emotionally bound to the traditions and practices of their great-grandfathers, ignorant of what lies within their reach, and with no knowledge of how to reach for it. Compelled to live in the world in which they found themselves and to identify themselves with the country, they have learned to accept their lot with an attitude closely akin to fatalism. More than 300 years of cultural stagnation has closed their eyes to the vision of a better future, and their experiences contain nothing that would cause them to anticipate a better way of life. They are a people without a leader in need of being awoken to a realization of their needs and fired with a desire for progress."

To provide an educational program that would develop leadership and awaken the families to a realization of their ability to solve their problems independently, an informal community committee of five members was elected at the inception of the program. Supervisors met from time to time with this committee to discuss and outline plans for community meetings. This procedure was followed so that the committee might be prepared to take the lead in presenting the plans and conducting discussions at the general meetings.

That these plans might be translated into action, a formal organization was developed in the spring of 1940. The constitution and bylaws were written and adopted at a general meeting, and five new committee members were elected. All families present adopted the constitution and bylaws and signed agreements to cooperate in all community activities. General meetings are held monthly at which time any problems that have developed since the previous meeting are discussed and proposed community activities are explained. Everyone present is given an opportunity to express himself. In addition to the monthly gatherings, numerous meetings are held with special groups with regard to sewing, canning, cooking, completing record books, farm-management practices, and other phases of work.

The supervisors have expressed an opinion that practically all tangible results of improvement in both community and individual activities among families participating in the rehabilitation program in San Miguel County have come about through these group educational and discussion meetings.

One of the first projects undertaken by this group was the erection of an adobe community house to provide adequate facilities for social and educational activities. The building was planned and constructed by the people themselves. A committee was elected to supervise work and buy materials. Each family agreed to donate their share of

labor and money and to report to work when called by the community house committee. A record was kept of time each member contributed in an effort to see that all furnished an equal amount of labor. Equipment installed provides for weaving, sewing, cooking, blacksmithing, and woodworking.

A variety of other cooperative activities have been developed. A group medical service operating in this county provides for ordinary medical care, emergency surgery, hospitalization, drugs prescribed by doctors, and care for mothers before and during childbirth. The annual fee for each family is \$28.

Twenty-five families contributed \$6 each toward the purchase of a stallion and were allowed one service without charge, thereafter paying \$3 per service. Funds were pooled to pay for care and feeding of the horse, which by agreement was turned over to one man in the group who was believed best equipped to handle and care for the animal.

More people have benefited from a master-type cooperative threshing machine than any other service. At the time the loan was made, 53 families agreed to participate in this service. However, after one season's operation, 96 other low-income families from six or seven nearby villages are now using this service. Threshing is done for 10 cents per 100 pounds.

Other services established include the group purchase and use of three grain drills, three garden planters, eight cultivators, eight plows, and one tree sprayer.

At the beginning of the program there were only six wells in El Pueblo, and with one exception these were inadequately protected. To provide safe drinking water a plan was worked out for the digging of 15 cooperative wells. From four to six families, whose houses were grouped so they could efficiently use one well, agreed to cooperate in purchasing equipment and digging each well. Agreements were drawn up whereby the owner of land on which the well was dug agreed to donate the site for group use and the borrower on whose place the well was located agreed to give the others right of ingress and egress.

Seed, building materials, small tools, chickens, nursery stock, fruit trees, garden dusters, fertilizer, pressure cookers, and canning equipment are being purchased cooperatively. Funds for this purpose are deposited with a trustee and all purchases are recommended and approved by the community committee. On the basis of small quantity buying, the garden seed each family received during the first year of the program would have averaged \$8 per family, while under the group buying plan the average cost was less than \$4. This is true in regard to other purchases. The average cost per fruit tree on a unit basis was 85 cents; buying cooperatively they were obtained for less than 40 cents. Also three families are cooperating in the leasing and fencing

of one section of State land for group use in maintaining subsistence livestock.

#### What Others Have Done

Many benefits have also been derived from cooperative activities in the nine other counties included in the project. These activities include: Cooperative purchasing, cooperative marketing, cooperative farm machinery and equipment, cooperative household equipment, special services, and informal activities.

#### Cooperative Purchasing Services

Aside from savings effected through cooperative buying, these services have been especially useful in educating the families in the selection of better seed, fertilizer, feed, and livestock. Before the organization of these cooperatives most families were accustomed to using unselected home-grown seed. For example, in one county, hybrid corn and certified seed potatoes had never been used by any project family before coming into the program. Fertilizer was used without thought as to quality--families usually purchased it by asking for "garden," "corn," or "potato" fertilizer. They had been accustomed to buying cheap or low-grade protein concentrates to supplement home-grown feeds, and livestock was bought without consideration of breeding.

Activities of these groups also reveal many other benefits and numerous needs of these families that have been more effectively satisfied through cooperative buying.

In May 1941 an "Orange County Group Purchasing Association" (Vermont) was organized and a schedule for monthly meetings worked out. This association is managed by a board of directors, officers, a constitution, and bylaws, with purchase agreements for each individual transaction, all under supervision of the project supervisors.

A special meeting of this organization was held the first of June for the purpose of discussing plans for buying weaving equipment. Funds already available for the purchase of eight looms were deposited in the name of the Association at the Bradford National Bank. Bills for equipment were to be taken care of from these funds. The most economical means of getting the looms delivered was discussed and the secretary was requested to write to several companies for price quotations on carpet warp.

At the second regular meeting of the Association, plans were discussed as to the possibility of furnishing native materials to be made into chairs by the National Youth Administration project. The purchase of food supplies and needed equipment was also discussed. Home-made refreshments are served at the end of each business meeting.

In Thurston County, Wash., a purchasing association that was originally set up to make purchases under the sanitary grant program is now being successfully used in buying various other items. During the past year a purchasing association has also been operating successfully in Oglethorpe County, Ga.

In 1939 a purchasing service was organized by project borrowers in Knox County, Ky., to handle lime and fertilizer which could not be adequately supplied by local merchants. During the first year of its operation 388,000 pounds of phosphate was bought at a total saving of \$1,164. The success experienced by this group led to the organization of a purchasing service on a county-wide basis, known as the Knox County Cooperative Buying Association. Through this cooperative the families are now able to buy their seed, fertilizer, and other farm supplies. This organization has received splendid cooperation from local merchants and many of the commodities are bought directly through them.

In Reynolds County, Mo., a cooperative organization known as the Reynolds County Cooperative Association was organized. This enterprise has been utilized for group purchasing of seed, fertilizer, wire, and miscellaneous farm supplies. The following table shows the amount saved on the different items purchased:

Table 1. Savings effected through cooperative buying, Reynolds County, Missouri, 1940

Item	Amount	Savings effected through cooperative purchasing
Oats	235 bus.	\$ 21.15
Millet	625 lbs.	2.75
Soybeans	9 bus.	3.24
Cowpeas	18 bus.	7.35
Sweet clover	1,140 lbs.	7.52
Sunrise Kaffir	225 lbs.	5.17
Atlas Sorgo	145 lbs.	3.12
Sudan	460 lbs.	4.23
Korean lespedeza	2,000 lbs.	20.00
20% phosphate	14,700 lbs.	31.53
4-16-4 fertilizer	21,100 lbs.	47.92
Seed potatoes	8,200 lbs.	20.50
Garden seed pack	21 boxes	10.50
4-point wire	51 spools	20.40
26# hog wire	49 rolls	44.10
Total saved		249.48
Amount paid for deliveries		18.50
Net saving		\$ 230.98

While a total of \$18.50 was paid for deliveries, the cash expenses for this service would have been about twice this amount if purchases had been made individually. The supervisors feel that the chief value of this organization is not found in the cash savings involved, but rather in the spirit of cooperation that it has developed among the farmers. They feel the \$231 saved is valuable as a talking point in securing further cooperation in other fields of cooperative activities. At the time the cooperative was organized the board of directors consisted of five project borrowers with one member elected to serve as trustee. All funds are deposited in the association account.

#### Cooperative Marketing Services

Marketing services have opened up new outlets for cash crops and have educated the families to recognize the value of producing quality goods to obtain better prices. More rigid grading and better preparation of products for sale have increased local demand and in some cases enabled borrowers to receive bonuses for their produce.

Project families in Mercer County, W. Va., had never been able to sell their potatoes to local merchants because they were not graded. In 1939 this group was called together for a potato-grading demonstration. Upon arriving at the farm, the supervisor found he had forgotten to bring sizing rings. The farmer offered to try to find a 1-7/8-inch ring. He succeeded in finding a 2-inch one from a trace chain. This 2-inch iron ring was successfully used instead of a \$60 potato grader. All the farmers had just such a ring at home which they have since used to grade their potatoes. Each delivered at least one truckload of potatoes to a local wholesale merchant, and, although they were packed in used sacks, they were paid 5 cents more than the market price. At present they are unable to supply the local demand. A woman in this county was unable to raise enough chickens to supply her everincreasing list of customers. She invited her neighbors to cooperate in supplying the demand. She advised them as to the size of fowls she had found most salable and instructed them when dressing the chickens to soak them in hot water--this she said caused the rich yellow fat to show more clearly through the skin of the chicken. "Customers," she said, "always go for the fat-looking chickens instead of the white bluish-looking ones displayed at other counters."

To facilitate the marketing of cash crops in Orange County, Vt., a cooperative marketing association known as the Orange County Farmers Cooperative Association, Inc., was organized. The organization was accomplished by holding several group meetings. Representatives from the First National Stores, the Vermont Maple Cooperative, and the Vermont State Department of Agriculture attended these meetings. Bylaws adopted called for the election of seven directors, six of whom are noncommercial borrowers. Of the total membership of 27, all are borrowers except 3. New officers and directors are elected each year.

In 1939 a warehouse was leased in which to store and grade potatoes. Weekly deliveries to the First National Stores, A & P, and Grand Union Stores in the eastern part of Vermont were made until the first of March. All work involved was performed by the members of the organization. The product (potatoes) was marketed under the cooperative's brand. The grade delivered to the consumers resulted in increased orders for 1940. Squash was also stored and marketed to a smaller extent. An all-day picnic outing held this last year for members of this group was attended by 50 people. As the members are scattered over a relatively large area, this gave them an excellent opportunity to get acquainted. Supervisors in Oglethorpe County, Ga., expect many benefits to accrue from a similar marketing association recently organized in this county.

#### Cooperative Livestock Services

Almost all livestock owned by project families before coming into the program was of the "scrub" type--too scrawny and ill-kept to compete with stock owned by their more prosperous neighbors. Very few, if any, of the families had ever used purebred stock for breeding purposes.

A definite program for livestock improvement has been carried on in all counties since the inception of the program. Many livestock cooperative services have been organized to provide registered animals for breeding. The improvement effected has stimulated pride in ownership and led the families to take much better care of their stock.

In Mercer County all borrowers are now using purebred sires for all kinds of livestock. In 1939, five purebred rams were bought cooperatively by project families. They have also purchased two purebred bulls and three boars on a cooperative basis. A bull association organized in Thurston County, Wash., is being utilized by 12 project families as well as approximately 50 other low-income farmers, including standard borrowers. There are 26 families participating in 2 master-borrower type bull services in Grayson County, Va. In Reynolds County, Mo., two cooperatively-owned purebred bulls and one purebred jack are being used by seven families. Two purebred bull cooperatives of the master-borrower type are in operation in Knox County, Ky.

#### Cooperative Farm Machinery and Equipment Services

Before the beginning of this program only a few of the families owned sufficient machinery and equipment with which adequately to operate their farms. Most of these families could not afford to borrow money, even at low-interest rates, to buy needed equipment. To help alleviate this situation, cooperative buying and use of machinery have been encouraged. As a result, 87 different units of machinery and equipment have been purchased cooperatively. This equipment is now being used by approximately 350 project borrowers and more than 100 other low-income families.

In Thurston County, Wash., a cooperative sawmill service is being used by three families to saw lumber from timber on their farms from which to build cooperatively their houses and barns; a haying service in which two families bought a mower, hay rake, and wagon is also in operation. Through joint ownership 10 hand-type dusters have been purchased and are being used by 22 families in Mercer County, W. Va. Seven units of mowing machines and rakes were bought through joint ownership by families in Oglethorpe County, Ga. During 1940, 13 master-borrower-type cooperatives were being used by families in Knox County, Ky. These services consist of three mowing machines, five disk harrows, one hay rake, one hay baler, one wagon, one fruit-tree sprayer, and one cane mill and evaporator. Through joint ownership 5 compressed-air garden sprayers have been bought by 10 families in Grayson County, Va.

#### Cooperative Household-Equipment Services

Cooperative use of household equipment has been employed by some project families. Pressure cookers needed by nearly all borrowers could be made available to a few families only through cooperative ownership.

There are four master-borrower-type washing machines in operation in Knox County, Ky. Families using these machines usually pay 5 cents a person per service. For example, a family of four may wash as much and as long as it desires at one time for 20 cents. In Grayson County, Va., 7 pressure cookers are owned jointly by 14 families, and one joint-ownership sausage mill is used by 5 families. Two cooperatively-owned pressure cookers are serving six families in Mercer County, W. Va.

#### Special Services

The organization of special cooperative services has strengthened the morale of these families and enabled them to further explore their own capabilities.

Weaving centers have been established in San Miguel County, N. Mex., and Orange County, Vt., and knitting groups have been organized in several other counties. By adding their labor to home-grown wool and other native material, the families can more adequately clothe their families and improve the appearance of their homes.

Woodworking centers in San Miguel County, N. Mex., and Mercer County, W. Va., provide an opportunity for families to learn to make for themselves much-needed furniture such as chairs, tables, and cabinets.

A blacksmith service in operation in Mercer County, W. Va., has proved very helpful. The value of this service to these isolated farmers was expressed by one farmer as follows: "It used to take us

a half day or longer to take a plow to town to be sharpened. It actually cost more to make the trip than it did to get the plow fixed. We've been able to pick up a lot of old machinery at little or no cost and fix it up to take the place of machinery we needed but didn't have the money to buy."

Due to lack of funds most of the project families had been unable to obtain necessary medical care before coming into the program. In many cases they were not able to have the service of a doctor at the birth of a child and prenatal care was unheard of. County-wide surveys made in Laurens and Oglethorpe Counties in Georgia revealed that from 70 to 75 percent of the families in these counties had defective teeth; from 40 to 50 percent, diseased tonsils; from 18 to 24 percent, rickets; and from 80 to 90 percent of the women were in need of repairs of the perineum. Medical care provided through cooperative effort has helped solve many economic and social problems prevalent among these families. The entire group of 50 families in both Laurens and Oglethorpe Counties, Ga., are participating in cooperative medical and dental programs. The cost of the medical service, which includes medicine prescribed by doctors, is \$12 annually for the first two members of the family plus \$1.00 for each additional member. The annual fees for dental service, \$3.00 plus 50 cents for each additional member. This entitles every member of each family to cleanings, fillings, and some extractions. Other counties in which medical programs are functioning are Orange County, Vt., Reynolds County, Mo., and Knox County, Ky.

A veterinary service has also been organized in Laurens County, Ga. The cost of this service is \$6.75 per annum for operators with only one horse and \$9.25 for those having two horses.

#### Cooperation Through Informal Activities

Supervisors feel that the way in which many families have worked out their common problems through mutual assistance and informal sharing of animals and machinery has prepared them for future participation in formal cooperatives and made possible achievements that otherwise could not have been hoped for. Although this type of cooperation is practiced in all counties to a certain extent, it is most prevalent among families in Thurston County, Wash. The attitude of families in this county toward written agreements was expressed by one borrower as follows: "If I am not white enough to get along with my neighbors without signing a written agreement, we'd never get along anyhow." The informal way in which cooperation is practiced among families on this project is found in such cases as: One borrower bought one horse and a harrow. His neighbor bought another horse and a plow. Thus they have a team and trade the use of equipment. Another borrower has a home-made tractor. He works for his neighbor who in turn does team work for him. Another example is found where several close neighbors have only one horse each so they trade the use of horses. In this way, practically any one of them can get a horse from another any time

he needs a team. One borrower had a mower attachment for his tractor as well as a rake and disk; his neighbor, who had a tractor of the same make, purchased a cultivator attachment and a grain drill. They now trade the use of this machinery. Arrangements of this kind are being successfully carried out among many of the project families. As these informal activities have developed such a strong spirit of cooperation among the families, the supervisors question the wisdom of changing them to formal organizations.

In Beltrami County, Minn., it is common practice for the borrowers to help each other with special work such as clearing land, cutting timber, constructing farm buildings, and trucking by those few who have trucks. Supervisors on this project feel that some experience of this kind is essential in preparing the families for successful participation in actual cooperatives, and any attempt to organize them without such training would result in failure.

#### Conclusion

It is evident that the simple adventures in mutual aid, in which these disadvantaged families are participating, have served as an effective tool in helping them to overcome their economic and social handicaps. Major benefits derived from these activities are as follows:

- (1) Development of common understanding and group solidarity.
- (2) Development of spirit of cooperation and independence.
- (3) Development of leadership.
- (4) Development of more effective means of solving personal problems, supplying fundamental needs, and improving social and economic well-being.
- (5) Influence in spreading cooperative movements among other low-income families.

The best approach to successful organization of cooperative enterprises among low-income families appears to be through formation of small discussion groups providing practical adult educational programs along with opportunity for recreational activities.

Appendix

Table II. Cooperative services--noncommercial project--10 counties, 1940

Classification	: Number of units	: Number of families participating Noncommercial borrowers	: Others
Purchasing	6	323	—
Marketing	3	97	—
Livestock:			
Boars	3	15	22
Bulls	9	99	90
Jack	1	7	—
Rams	5	8	3
Stallion	1	25	—
Work horse	1	2	—
Farm machinery and equipment:			
Cane mill	1	5	—
Cultivators	8	16	—
Disk harrow	5	23	—
Dusters	9	17	3
Garden planters	3	6	—
Garden sprayers	6	18	6
Grain drills	3	6	—
Hay baler	1	10	—
Hay rakes	9	36	—
Leasing and fencing	1	3	—
Mowing	11	40	—
Plows	8	16	—
Potato planter & digger	1	NA	—
Sawmill	1	3	—
Threshing service	1	53	—
Tree sprayers	2	6	—
Wagons	2	6	—
Well-digging and equipment	15	5	—
Household equipment:			
Pressure cookers	9	16	4
Sausage mill	1	5	—
Washing machines	4	6	—
Special services:			
Blacksmith	1	47	—
Community house	1	53	—
Dental	2	100	—
Medical	5	169	—
Veterinary	1	50	—
Weaving	2	36	—
Woodworking	2	47	—